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President: Mr. Holkeri ..... (Finland)

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Agenda item 173

Towards global partnerships

Mr. Schumacher (Germany): Good morning, Mr. President. I think before I start my speech I should compliment you on your tough guidance and the good example you are setting, and I do hope that very soon the rest of the audience will follow and will recognize how important it is today that we should not squander our time when important issues are at stake.

I have the honour today of introducing agenda item 173 entitled "Towards global partnerships". After an intensive round of informal talks, we were encouraged by many delegations of all regional groups to introduce this new item to the agenda of the fifty-fifth session of the General Assembly.

The ensuing intergovernmental exchange of views was extremely helpful. We based our initiative on three fundamental assessments, which I would like to outline very briefly. First, globalization has become a fact of life; it offers great new opportunities, but also has brought along the danger of "new divides". Its benefits are considerable, but they have so far been very unevenly distributed among the regions of the world. Therefore, new partnerships are needed to bridge these gaps. No Member of the United Nations — no region — should be left out of this process.

Secondly, globalization has led to the emergence of new global players, in particular from the private sector, who must accept their share of responsibility for the aforementioned objectives. From this follows the need for new partnerships and enhanced cooperation between these actors, the United Nations and its Member States.

Thirdly, this cross-sectional issue is such an important one that all United Nations Member States should be involved from the very beginning. Thus, it is high time to open the debate within the General Assembly, and this is what we have done by introducing the new agenda item and by referring it to the General Assembly and not to an individual committee.

Based on the statements by our heads of State and Government at the Millennium Summit and on the reactions we have received so far on our project, I trust that there is broad consensus among Member States on these three assumptions. Accordingly, the Millennium Declaration explicitly states the need for strong partnerships with the private sector and with civil society organizations. Thus, agenda item 173, "Towards global partnerships", actively pursues the implementation of the Millennium Declaration.

Germany follows with interest the manifold strategies for an increasing variety of partnerships between the United Nations and other relevant partners outside the United Nations system. No body is better suited than the United Nations and its General Assembly to observe, discuss and guide these

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developments. It is in this light that I would invite you to evaluate our resolution's initiative, "Towards global partnerships". Once negotiations are finalized and the informal negotiations are pending, Germany wants to introduce the text under this agenda item and take action on it. We are confident that we will be join. d by a large number of co-sponsors.

We have chosen a rather procedural approach for this draft resolution. As a first step, more information, clarity, transparency and coherence in action are required. The draft resolution envisages three requests addressed to the Secretary-General, the first of which is to seek the views of Member States on how to study, promote and enhance cooperation between the United Nations and all relevant actors, in particular the private sector. The second request is to seek the views of those partners on how to render their cooperation with the United Nations more effective. And, thirdly, the submission of a report to the next General Assembly is requested on this matter.

As negotiations are still pending, I do not want to get into the details of the draft resolution now. Many Member States have already contributed to the drafting process. I would invite all interested delegations to join us in this important endeavour. It is worthy of our best efforts, as a considerable impact on our common future is at stake.

The United Nations will benefit from the private sector, and vice versa — tomorrow even more than today. We, the Member States, must make this partnership and these partnerships successful by being an active, creative and guiding part of it.

Mr. Bossière (France) (*spoke in French*): I have the honour to speak on behalf of the European Union. The Central and Eastern European countries associated with the Union, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, the other associated countries, Cyprus, Malta and Turkey, as well as Norway, align themselves with this statement.

This subject is important. It concerns the United Nations role at a time when States are tending to play a less dominant role and new players are appearing. Nothing will prevent this trend from continuing. If the United Nations chooses to turn its back and ignore this movement, it will run the risk of being marginalized. The implementation of global partnerships will put matters in a totally different perspective, with the prospect of a more effective United Nations.

When such an important issue is at stake, it calls for a profound and open discussion among all the Member States, as is the rule of the United Nations. All people of good will must play a part, and all good ideas must be heard. From that point of view, the European Union welcomes the fact that the Millennium Summit was able to launch the debate on global partnerships, at the very highest level, that of Heads of State and Government.

It is a crucial fact that, in the Millennium Declaration, our Heads of State and Government decided,

> "To give greater opportunities to the private sector, non-governmental organizations and civil society, in general, to contribute to the realization of the Organization's goals and programmes". (*resolution 55/2, para. 30*)

It is also important that, in a more specific area, they decided,

> "To develop strong partnerships with the private sector and with civil society organizations, in pursuit of development and poverty eradication". (*resolution 55/2, para. 20*)

This is why, in the course of the ordinary proceedings of the General Assembly, discussions will be useful on how the mandate issued by the heads of State and Government is to be implemented. The discussion should draw on the proposals made by the Secretary-General in his report, "We the peoples".

From this point of view, the European Union can only welcome the laudable efforts of certain States to prepare a draft resolution on global partnerships. The European Union will participate fully in the follow-up to this exercise.

Mr. Wee (Singapore): It is not common to begin speeches to this General Assembly by confessing near total ignorance of the core issue being addressed under this agenda item: the challenges of globalization. But honesty demands we declare our ignorance even before we speak.

The real tragedy about the word "globalization" — a word that seems so familiar and recognizable to us — is that the word has generated positive and negative reactions even before we have

fully or even mostly understood the real meaning of the word. It is true that several books have been written about globalization. Let me mention three: *The Lexus and the Olive Tree* by Tom Friedman, a *New York Times* columnist; *A Future Perfect: The Challenge and Hidden Promise of Globalization* by John Micklethwait and Adrian Wooldridge, two *Economist* correspondents and, most recently, *The Global Me*, by G. Pascal Zachary, a *Wall Street Journal* correspondent. This book, incidentally, was reviewed in the *New York Times Book Review* of 29 October 2000. Mr. Zachary, incidentally, argues that globalization will help the poor of the world.

We have not read all these books. But even if we had, it is conceivable that our challenge in trying to understand globalization may be similar to that experienced by the three blind men trying to figure out an elephant by feeling the different parts. They could not see the whole. Neither can we see the whole of globalization. Nor can any book.

Clearly, globalization is the most ferocious force to step on to the world stage. It is changing the future and fabric of international society beyond recognition.

When the United Nations was created in 1945, there was no doubt that the key actors on the world stage were the nation States. Only they had the resources to mobilize manpower, military and money to influence international relations.

Hence, the United Nations was created to provide a forum for nation States to gather together and cooperate. The founding fathers of our Organization would have been astonished if someone had suggested that the management of international relations would be incomplete without the inclusion of other equally important actors.

Take multinational corporations, for example. The top 200 such corporations have combined reserves of $7.1 trillion — about a quarter of the world's economic activity. This sum is larger than the combined economies of 182 United Nations Member States. How can one possibly manage or even understand international economic activity without taking into consideration the needs, interests and aspirations of multinational corporations? The call in the draft resolution for global partnerships between government and the private sector is therefore reasonable and perhaps even overdue.

At the same time, we can also understand the hesitation in this room to embrace multinational corporations. Some have behaved badly — for example, in the industries that extract and exploit natural resources. The diamond trade is not the only one with rogue traders. But to suggest that all multinational corporations are essentially the same is as meaningful as saying that all animals are the same. Dogs and cats, cows and sheep, elephants and horses can be harnessed to improve our well-being, materially and spiritually. Rats and wolves, sharks and snakes threaten our well-being. What is true of the animal world is equally true in the corporate world. There are good citizens and bad citizens. And the good citizens have an enormous power to do good.

A.W. Clausen, a former President of the Bank of America, made the following observation:

> "No other institution, public or private, has the motivation, the resources and the power to tackle global inequities as effectively as [multinational corporations ... These corporations] have a powerful self-interest ... and a clear stake in the development of a harmonious and non-coercive world order. That multinationals have the ability to enhance the quality of life in the underdeveloped world is no longer debatable. The continuing transfer of capital, technology and managerial and entrepreneurial skills from the rich to the poorer countries has become the classic justification of global multinational activity."

It is also clear that massive flows of capital will be required if we are to alter the huge disparities we witness across the globe. In the early decades of the United Nations, the general assumption was that capital flows would pass from government to government. Today, the private sector flows far exceed intergovernmental financial flows. According to the *World Investment Report 2000*, annual global foreign-direct-investment flows reached a high of $865 billion in 1999, a sharp increase from the level of $182.6 billion in 1995, barely five years ago.

Foreign-direct-investment flows can assist development. As Professor Jagdish Bhagwati of Columbia University has noted, foreign direct investment

> "is a mutually beneficial phenomenon; it brings in needed technology, creates employment,

generates tax revenues without which programmes to help the poor cannot be financed."

But it is also true that both the right domestic conditions and the right expertise are needed to handle foreign direct investment. Hence, we commend the initiative of the United Nations Conference on Trade and Development (UNCTAD) and the International Chamber of Commerce (ICC) to publish investment guides for least-developed countries and to promote dialogue between Governments and potential investors. Twenty-eight companies are supporting the partnership and contributing to the UNCTAD-ICC project, another example of good public-private sector cooperation which is encouraged by both the draft resolution and the Secretary-General's Global Compact initiative.

We do have one concern about the Global Compact initiative. One of its goals is to foster greater respect for labour rights and environmental standards in developing countries. In theory, these are noble goals. In practice, these goals are often used to promote new kinds of protectionism. Those who manage the Global Compact process must not allow themselves to be used as tools of protectionists.

The subject of globalization or global partnerships cannot be covered in one speech. Nor can it be covered by one agenda item or one resolution. Today, we have only taken one small step, but as an old Chinese proverb says, a journey of a thousand miles begins with one small step. The challenge for us is to ensure that we are heading in the right direction.

As we said at the beginning of our speech, it is far too early to assess the meaning and reality of globalization and the global challenges it has spawned. But it is clear that new actors have emerged on the world stage. Today, we have only discussed two: nation States and multinational corporations. But other powerful forces are emerging: non-governmental organizations, some of whose budgets exceed those of Governments, media conglomerates, think-tanks like the Davos World Economic Forum. All of these are changing the texture and fabric of international society.

The Secretary-General's millennium report captures one dimension of this change well:

> "Here, however, is the crux of our problem today: while the post-war multilateral system made it possible for the new globalization to emerge and flourish, globalization, in turn, has progressively rendered its designs antiquated. Simply put, our post-war institutions were built for an inter-national world, but we now live in a global world. Responding effectively to this shift is the core institutional challenge for world leaders today." (*A/54/2000, para. 30*)

The step we are taking today is but a very small step in dealing with a much larger challenge we face. If nation States or the United Nations do not respond well to this challenge, the forces of globalization will sail right past us and leave us standing in a tiny irrelevant corner.

Mr. Aboulgheit (Egypt) (*spoke in Arabic*): There can be no doubt that the changes that are taking place in international relations and in the global economic framework are giving rise to new opportunities to involve the private sector and civil society in the service of the United Nations with a view to meeting the challenges of the new century. This is what the heads of State or Government of the States Members of the United Nations stated in the Millennium Declaration.

However, we should pay particular attention to certain aspects in our study of these changes so that we can attain the desired results.

First, there should be a balance between the aspects of the work proposed in the framework of the relationship between the United Nations and the private sector and the international community in order to serve the interests of all the States Members of the United Nations. We should therefore avoid selectivity and double standards when choosing the proposed areas of work so that they do not serve the interests of a small number of States at the expense of those of the majority of peoples and States throughout the world, as has happened many times over in many multilateral institutions, which led to severe international crises and that brought suffering to many developing countries.

Secondly, in order to achieve such a balance, we must consider upgrading a financial mechanism that would ensure that assistance is provided by the private sector and civil society to poor nations, so that it does not serve only giant corporations or benefit only the civil society of such countries. This could lead to a serious imbalance in the mechanisms of the United Nations and could compromise the effectiveness of its work.

Thirdly, it is important to stress the impartiality and independence of the work of the United Nations, as an Organization of Governments that is based on the Charter of the United Nations. Therefore we must be careful that this change does not give rise to any infringement on the sovereignty of nations, whatever the justifications may be, particularly since the debate has not been concluded regarding the many different interpretations of relationships between Governments, such new concepts as humanitarian intervention or conflict prevention.

Fourthly, the objective of the development of the relationship is not to adopt initiatives and resolutions if consultations have not been held among all the Members of the United Nations, particularly if such initiatives or resolutions include principles on which opinions differ, such as the participation of, or intervention by, the private sector, or the relationship between the private sector and developing countries. This would only provide lofty pretexts for serving the trade and protectionist interests of a small number of nations.

Fifthly, the change in such a relationship should not involve any attempt to bypass contentious matters or the different interpretations which are still being studied in other international organizations, including the question of forcing labour criteria on international trade within the framework of the work of the United Nations, or forcing environmental criteria that advance the protectionist interests of a small number of countries.

Sixthly, all recommendations in this context should be studied in detail by governmental mechanisms set up for this purpose in order to take a decision regarding the direction of this relationship.

These are some of our initial comments on the item before us. We thank the delegation of Germany for its initiative in this respect, and we look forward to working together within the framework of the United Nations to develop the relationship between the Organization, the private sector and civil society in order to serve the interests of all the peoples and countries of the world, in particular the developing countries.

Mr. Kataria (India): This is the first time that the General Assembly is discussing this somewhat enigmatic topic of global partnership with companies that have a global presence. Implicit in this is the assumption that we have not had this partnership before and that we need it.

The first assumption may not be entirely correct. The International Labour Organization (ILO), after all, is predicated on a tripartite partnership, and its Partnership for Development programme seems to both prefigure and go beyond the Secretary-General's Global Compact, in its belief that respecting social policy is not something employers must balance against profits, but something that might actually promote profits. It is true that when the United Nations tried to lay down a code of conduct for transnational corporations, it was assumed, at least by the companies, that the United Nations saw itself as an antagonist, not as a partner, but even then, the United Nations system worked far more closely with the private sector than we sometimes realize.

To take just one example, the global immunization programmes piloted by the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO) — one of the success stories of the United Nations system — depended then, as it does now, on vaccines developed and produced by the private sector.

There was, however, one crucial difference. The diseases that those vaccines were meant to prevent affected people in the developed world as much as those in other parts of the globe. It would be a sign of true global partnership if pharmaceutical companies in the developed world were to try to develop vaccines or cures for diseases that affect only the poor citizens of the developing world. There would be less profit for them in it; their help would primarily be recognition of a human obligation. Are they up to it? Are they up to developing a cure for malaria, whose toll is estimated to take 1 per cent off Africa's gross domestic product, or to let cheap, generic treatments be sold to lessen the pain of victims of AIDS? Again, neither the Roll-back Malaria initiative nor the Joint United Nations Programme on HIV/AIDS (UNAIDS) can do very much without a global partnership with the multinational pharmaceutical companies.

The Global Alliance for Vaccines and Immunizations, set up by the World Bank, WHO, UNICEF, the Gates and Rockefeller Foundations and pharmaceutical manufacturers, is very much the sort of partnership that is needed.

Innovative triangular arrangements between technology developers, developed country assurance of volume procurement and developing country markets have been advocated by the Center for International Development of Harvard University and such fresh thinking is encouraging. There are other crucial areas of scarcity and those central to development where such arrangements can be developed. Technology is intrinsic even to equitable growth and to the way technology vendors operate in the private sector.

Stopping people dying from endemic diseases or epidemics is a priority for the United Nations system, as is ending malnutrition and death from hunger. The first green revolution, which was so successful in Asia and Latin America, was produced by a partnership between the public sector and a few benevolent foundations; the private sector played hardly any role in it. Now, however, its role is crucial for a number of reasons. Though one fifth of the world is still chronically undernourished, official development assistance to agriculture has fallen by over 50 per cent in the past decade; so too has government investment in agriculture in most of the developing world.

The private sector holds the key. Biotechnology may very well be crucial if the food needs of the developing world are to be met, but fears about genetically modified crops have to be addressed transparently. Genetically modified crops could end either hunger or humanity, depending on how they are developed. Both the benefits and the dangers are so vast, so global, that this is an area where the need for a global partnership and ownership is not only self-evident but crucial.

The human genome, which has now been mapped, can potentially help us eliminate genetic problems and diseases. It can also be abused in the social context. Scientific knowledge cannot be controlled, but when it has the capacity for global good or global mischief, as the mapping of the human genome does, it must be shared in a global partnership.

It is not that the private sector is unmindful of its responsibilities. The success the United Nations has had in recent months in controlling the trade in conflict diamonds is an example of a global partnership in action. However, here, too, there are lessons to be drawn. The private sector agreed immediately to what the United Nations proposed as much to protect the legitimate trade as to stop the trade in blood diamonds. Would it have been so compliant if its self-interest had not been involved? That is perhaps not a fair question; after all, in any partnership, it is assumed that the interests of the partners are equally engaged.

This is why we should also consider the role of a third partner not sufficiently recognized here – the global non-governmental organizations, which are often based in the developed countries, whose interests sometimes clash and sometimes coincide with those of the transnational corporations. Unlike democratically elected Governments, which are responsible to their people, or global companies, which are at least responsible to their shareholders, transnational non-governmental organizations have no responsibility beyond their focus of advocacy and their conscience. Often, they take crusades on to pyrrhic victories, hurting the people in the developing world in whose name they claim to speak. No code of conduct binds them. This engagement can therefore go in different directions.

Equal responsibility is the key. All of us acknowledge that Governments are only one among several types of player in this globalized world. The World Bank has set their interrelationship in the conceptual grid of the Comprehensive Development Framework. The crucial point, though, is that, while the Governments of developing countries are listed as only one kind of actor in a cast that includes donor Governments, international companies and local and international civil society, the responsibility for economic and social failure rests only with the host Governments. That is particularly unfortunate and unfair when most developing country Governments are now more vulnerable to pressure from transnational corporations than they ever were. As the Bretton Woods institutions have recognized, as developing countries compete for foreign direct investment, there is a danger of a rush to the bottom as far as social policy is concerned. This is where global partnerships could be useful if they were to bind transnational companies to protecting and promoting social policies and not insist that these policies be weakened for companies that are set up abroad. We understand that this is what the Secretary-General has in mind in his Global Compact and we will watch closely to see what effect it has.

As the private sector becomes ever more powerful, some of its members are using their profits philanthropically. The Turner Fund is a case in point.

They can be very useful supplements to the United Nations finances, provided that the weight of their contributions does not distort the intergovernmental priorities set here. Aid agencies have used the private sector to deliver aid through projects or research, but as official aid budgets fall and the private sector becomes more active in a globalized world, there is now a more equal partnership, with the private sector not just a contractor for aid, but a provider of funds and ideas.

This is apparently a novel experience for the aid ministries in donor countries, which find that their priorities now have to be balanced against those of their private-sector partners. However, from what one can gather, this new global partnership largely excludes the beneficiaries; developing countries are still excluded from these discussions, though they now have to contend with the united prescriptions of foreign Governments and their companies. The weight of faulty advice can be insupportable, as its consequences can be devastating. Hence the need for a truly global partnership between host Governments, development partners and the private sector.

Mr. Fonseca (Brazil): I wish to thank the German delegation for its timely initiative of introducing the item on global partnerships into the agenda of the General Assembly at its fifty-fifth session.

In trying to keep pace with globalization and interdependence, the United Nations system has been interacting more intensely with civil society. This derives from a fact of modern life: non-governmental organizations are important instruments for perceiving the aspirations of people and, in many instances, may be partners in the solution to some social problems. Since the 1990s, non-governmental organizations and other actors have been contributing to shape the modern agenda of the international system. The United Nations cannot ignore this fact.

The United Nations and non-governmental organizations have been working together in the pursuit of sustainable development, human rights, improved standards of living, women's and children's rights, sexual and reproductive health, poverty eradication and external debt reduction. At the same time, the United Nations is increasingly seen by non-governmental organizations and the private sector as an Organization that makes an irreplaceable contribution to the establishment of enabling frameworks for development.

Non-state actors have also had a genuine aspiration to participate more in these United Nations processes. The business community has now become aware that, in a globalized world, the United Nations plays a valuable role in providing norms and standards conducive to development, as well as in promoting and securing peace and stability.

Over the past 10 years, there have a been a number of spontaneous partnerships between the United Nations and non-state actors in many areas. Such synergies are taking new and diverse forms, including through development cooperation, fundraising, advocacy, humanitarian assistance and even dialogue on policy issues. The United Nations Children's Fund, the United Nations Development Programme and the United Nations Population Fund, among other organizations, have engaged in many innovative relationships. The United Nations Foundation, established only three years, is showing significant signs of vitality.

The Global Compact launched by the Secretary-General last year is an important initiative to engage non-governmental organizations and the private sector in an effort to achieve the goals set by the United Nations in areas such as poverty eradication, sustainable development and social justice. Experience with the participation of civil society in the global conferences of the 1990s has been judged successful. We look forward to a constructive involvement of relevant stakeholders in the upcoming events, such as the ones on financing for development and least-developed countries, as well as the special sessions on HIV/AIDS and Istanbul Plus Five.

The United Nations is essentially an organization of States. It must be kept accountable to its members. Efforts to work with non-governmental organizations and the business community must follow the rules of that institutional context. We believe that cooperative arrangements with other stakeholders will gain from an approach that is based on transparency, commitment to United Nations goals, fair distribution of responsibility, as well as full respect for the mode of operation of the United Nations.

In pursuing partnerships, the United Nations must carefully safeguard its unique basis of legitimacy, based on universality, by ensuring equitable participation of non-governmental organizations and companies from all regions. For this partnership to

flourish and endure appropriate guidelines must be developed and observed. It could also be useful to consider the possibility of designating focal points in the Secretariat and in all United Nations funds, programmes and specialized agencies, particularly with regard to very large initiatives and projects.

Non-governmental organizations and the business community can play a positive role in advancing human values and goals. Their expertise, capacities and collaboration are increasingly needed, as they have or can raise considerable human technical and financial resources to support the United Nations. There is certainly great potential for viable partnership between the United Nations, non-governmental organizations and the private sector. Getting a clear and comprehensive picture of where we currently stand is an essential prerequisite for building a consensus as to where we should head in the future.

The General Assembly has a key role to play in providing policy guidance to the entire United Nations system with regard to these partnerships. Brazil supports the draft resolution presented by Germany that is currently being negotiated, as it provides a good basis for the consideration of this matter.

Mr. Ducaru (Romania): Romania welcomes and supports the initiative taken by Germany which provides that the General Assembly should examine and recommend measures aimed at improving the cooperation between the United Nations and other relevant actors, including the private sector, in a more systematic, coherent and mutually reinforcing way.

It is our conviction that in order to cope with global issues, like combating poverty, achieving sustainable development and striving for peace, security and human rights for all, we need global solutions based on global cooperation and partnership, which are the keys to success.

As a staunch advocate of multilateralism, Romania shares the widespread understanding that only an improved system of global governance that embodies common values, rules and practices will ensure that globalization is considered not so much as a threat but as an opportunity not to be missed and to be exploited.

The United Nations is uniquely placed and equipped to mobilize common action when a change in approach is needed. We are pleased that the Secretary-General in his report and that world leaders in their Millennium Declaration (*resolution 55/2*) recognized the necessity to develop strong partnerships with the private sector and with civil society organizations in order to contribute to the accomplishment of the Organization's goals and programmes, in pursuit of development and poverty eradication. In recent years, we have witnessed the increasing global influence of the non-State actors that have become indispensable partners in the search for solutions to global problems and in efforts to reach national unity, regional cohesion and a multilateral framework for cooperation.

Bringing together Governments, civil society and the private sector allows for stronger, broader consensus on new global standards and helps to implement and monitor those standards to which we all subscribe. We are encouraged to see how the Global Compact initiative launched by the Secretary-General, Kofi Annan, at the 1999 World Economic Forum in Davos provided an entry point for the business community to work in partnership with United Nations organizations and a basis for structured dialogue between the United Nations, the business community, labour organizations and civil society on improving corporate practices in the social field.

My last point would be that enhanced cooperation between the United Nations and all relevant actors requires effective participation from all regions of the world including, in particular, developing countries and economies in transition. It is in this spirit that the Romanian delegation will join as a sponsor of the draft resolution "Towards global partnerships" initiated by Germany.

Ms. Leonce (Saint Lucia): My delegation would like to thank the United Nations Conference on Trade and Development (UNCTAD) for its outstanding reports that have informed our contribution to this debate, in particular the *Trade and Development Report, 2000* and the *World Investment Report 2000*.

At the risk of being repetitive, my delegation finds it necessary to repeat sections of our statements on globalization since we agree that transnational corporations are the most visible manifestations of globalization. This issue under discussion, "Towards global partnerships", is a very important one, and my delegation would like to thank the delegation of Germany for including this item on our agenda and providing leadership in its consideration. Throughout

my intervention I will use the terms "private sector" and "transnational corporations" interchangeably.

We fully recognize that the private sector or transnational corporations — and not countries — make up over half of the 100 biggest economic units. Mitsubishi is bigger than Indonesia and Thailand, yet it is ranked twenty-fourth on the list of the top 100 transnational corporations. We also recognize that international production by transnational corporations has grown faster than global gross domestic product and global exports. In fact the sales of foreign affiliates of transnational corporations worldwide are now nearly twice as high as global exports, reaching 14 trillion dollars in 1999. Therefore, it is necessary for us Governments to work in partnership with the private sector, in particular with transnational corporations, since they are in control of the global economy. But, before we can extend this partnership, we need to examine our partner, transnational corporations, bearing in mind that "partnership" implies joint action and shared benefits.

Of our proposed partner, Karl Sauvant, chief author of the *World Investment Report 2000*, has said that:

> "A global marketplace for firms is emerging. Companies are being bought and sold across borders on an unprecedented scale."

The Secretary-General of UNCTAD says of our proposed partner:

> "Cross-border mergers and acquisitions, including the purchase by foreign investors of privatized state-owned enterprises, are driving the foreign investment volumes to new records ... International production by transnational corporations — numbering some 63,000 today, with approximately 700,000 foreign affiliates — now spans virtually all countries and economic activities, rendering it a formidable force in today's world economy."

The *World Investment Report 2000* reveals that the world's top 100 transnational corporations, based almost exclusively in developed countries, are the principal drivers of international production. So we are being asked to continue to form partnerships with economic giants, stronger by far than most Governments, and in control of the global economy. But we have been cooperating with the private sector; we have formed partnerships with transnational corporations; so this initiative is not new.

The *Report* states that the expansion of international production has been facilitated by virtually all countries through changes in their regulatory environments. Over the period 1991 to 1999, 94 per cent of the 1,035 changes worldwide in the laws governing foreign direct investment (FDI) created a more favourable framework for FDI.

Our cooperation is institutionalized. The World Trade Organization (WTO), the World Bank, the International Monetary Fund (IMF) and now the United Nations Development Programme (UNDP), with our developed partners, are advising developing countries that we need an enabling environment for investment. They have pushed us, and continue to push us, to create that enabling environment. So we have cooperated, and continue to cooperate, with the private sector. But this initiative is asking us for additional cooperation or a deepening or strengthening of our partnership.

Before we can proceed a step further, we need to stop and assess the results of this partnership to date. Reports show that 10 countries received 74 per cent of global FDI flows in 1999. Just 10 developing countries received 80 per cent of the total FDI flows to the developing world, yet all countries contributed to the expansion of FDI flows and changed their policies to create favourable conditions for FDI flows. All of us cooperated, but only one-sixteenth, or 6.25 per cent, of the 160 developing countries are benefiting.

Global FDI flows reached $800 billion in 1999, and they are expected to surpass the $1 trillion mark in 2000. Yet the share of developing countries in FDI inflows has fallen, from 38 per cent in 1997 to 24 per cent in 1999. So FDI outflows are increasing, international production is expanding, but inflows to developing countries are declining.

Let us examine for a moment the nature of this vast volume of FDI flows that drive and control the global economy, remembering that we are talking about joint action, cooperation and partnership, where both sides are supposed to benefit.

Again, the records show that most of the growth in international production has been via cross-border mergers and acquisitions, including acquisitions by foreign investors of privatized State-owned enterprises, rather than greenfield investments. The principal

acquirers of firms based in developing countries have traditionally been transnational corporations in developed countries. A reason for this rapid growth is that they provide firms with the fastest way of acquiring tangible and intangible assets in different countries, and allow firms to restructure existing corporations nationally or globally to exploit synergies and obtain strategic advantages.

Mergers and acquisitions increased by 35 per cent in 1999 and are expected to surpass the $1 trillion mark in 2000. It must be noted that less than 3 per cent of the total number of cross-border mergers and acquisitions are mergers; the rest are acquisitions. Full acquisition accounted for two-thirds of the 6,000 cross-border deals in 1999.

A large percentage of FDI flows to developing countries are acquisitions of State-owned enterprises and low-quality FDI with weak links to domestic economies, advanced technology or skills. So we are cooperating with the private sector, and the result is acquisition of developing economies by developed economies. Our economies are increasingly foreign-owned and directed, with little Government control, and our countries remain underdeveloped. This is not cooperation or partnership, where both sides benefit; it is exploitation and colonization, where one side benefits, while the other is controlled and exploited to sustain the benefiting partner.

The 200 largest corporations, almost exclusively owned by developed countries, employ less than one-third of 1 per cent of the global work force, but control 30 per cent of the world's wealth. The figures for 1997 show that the 29 Organisation for Economic Cooperation and Development (OECD) countries, with 19 per cent of the world's population, or about 1 billion of the 6 billion of us, have 86 per cent of the world's gross domestic product, 82 per cent of export markets and 91 per cent of Internet users, with 80 per cent of web sites in English, while 5 billion of us in about 160 developing countries share only 13 per cent of the world's gross domestic product, 17 per cent of world trade and 6.5 per cent of Internet users.

The 10 developing countries receiving FDI are in Latin America and Asia. The second largest continent, of 53 countries, Africa, receives a meagre 1.2 per cent of FDI inflows. The inflows to the Caribbean are too negligible in global terms to be reported. We receive hardly any FDI inflows, but we are all cooperating — global cooperation. We are part of the global partnership, but we are not benefiting. In fact, we are more often than not adversely affected.

Before we agree to cooperate further with the private sector, the 150 developing countries that are not benefiting or are adversely affected by the existing situation need some answers from those seeking our cooperation, and some frank and open discussion.

In our examination of the nature of the existing global partnerships, we saw that the larger percentage of direct FDI inflows are acquisitions, many of State-owned enterprises in developing countries. This means that acquisitions are an expansion of big businesses, transferring ownership and control to foreign hands, servicing the new owner in foreign exchange. Many times in the restructuring, employees are laid off and departments closed.

So unemployment and poverty increase, competition is reduced, local entrepreneurship is stifled or killed, little technological transfer capacity building takes place, since most transactions are acquisitions and not mergers or joint ventures. Furthermore, as the *Report* states, transnational corporations are able to bypass national laws and scrutiny, depriving host countries of tax revenues through transfer pricing on intra-firm trade to minimize their tax exposure and through blurring of nationality by cross holdings.

The transnational corporations are concentrated in electronics, and the greatest expansion has been in information and communications technology. Acquisitions in the media and entertainment pose a serious threat to national culture, diversity and sovereignty.

So the concerns are real and not only economic, but social, political and cultural. These partnerships therefore cannot be discussed in a vacuum. Globalization of businesses or transnational corporations affect every aspect of our lives, and these important linkages have to be made.

Those of us not benefiting, particularly Africa, are told that we lack the necessary infrastructure, or a conducive environment for investment. Yet the official development assistance necessary to create the infrastructure and environment is now at 0.2 per cent of gross domestic product and we collectively agreed on 0.7 per dent. The difference between the 0.7 per cent

promised and the 0.24 delivered by developed partners is over $100 billion a year.

It is estimated that another $100 billion a year will be gained by developing countries if developed partners reduce trade barriers by 50 per cent.

An additional $2,554 billion could be available to developing countries for development if developed partners cancelled the crippling debt, a debt that has been repaid many times over, as the figures on net transfers from developing to developed countries confirm. So it is not a question of the lack of infrastructure or conducive environment in developing countries. It is a question of developed partners choosing not to assist in development, and therefore only developed countries are able to benefit from this global partnership, while developing countries continue to be impoverished and exploited and remain underdeveloped.

The institutions directing the global economy — the World Bank, the IMF, the WTO and now the UNDP — continue to coerce developing countries to liberalize, creating an enabling environment for transnational corporations to take over our economies and recolonize us. In this discussion we cannot overlook systemic issues. The undemocratic decision-making processes of these institutions that regulate the global economy facilitate transnational corporations and perpetuate the glaring inequities and injustices in the global economy.

We need partnerships, yes, but for the development of all, developing and developed countries alike, development for developing countries and their 5 billion people, not just development which serves to enrich the 1 billion rich and their 99 transnationals that control the global economy.

We are not asking for philanthropic hand-outs from transnational corporations or to be made welfare States, depending only on the good will of partners. We have cooperated and we continue to cooperate. We have globalized cooperation, but only 29 countries are benefiting. Three of their billionaires are worth more than 600 million of us in 48 countries. Now it is time to globalize the benefits of global cooperation and global partnerships so that all 189 of our countries and all 6 billion of us benefit.

Any discussion of further cooperation with the private sector on transnational corporations must include a unit in the United Nations to monitor transnational corporations, to hold them accountable to the development of people and countries, since they are increasingly determining work, health and environmental conditions. This discussion must also include a code of conduct for transnational corporations. They are global businesses with a global impact, and therefore a global discussion is needed in this forum to set global norms and standards. It is of great concern to my delegation that we agree on an intergovernmental discussion, but we disagree that it should be clearly stated in the proposed draft resolution. We insist that any further partnership has to be within the intergovernmental framework of the General Assembly. The United Nations is the only legitimate democratic institution to lead and govern this further cooperation. The United Nations is mandated in its Charter to play this role and to ensure equity, justice, development and benefit to all people.

Before we can embark on this further partnership, the United Nations has to be strengthened to assume its leadership role in this regard. The United Nations Development Fund, the United Nations Conference on Trade and Development and the United Nations Industrial Development Organization must be strengthened with adequate resources and personnel commensurate with the increasing needs of developing countries so that we can be assisted in our efforts to benefit from global partnerships.

Why should we believe in the premises of these global partnerships with the private sector when we have been cooperating for over 50 years and have benefited little? We have globalized democracy, decolonization and international cooperation on all social issues, but we have not globalized cooperation in economic and technological matters. This is why the rich are getting richer and the poor poorer. This is why only a few countries are developed and a majority are underdeveloped. The transnational corporations controlling international production are privately owned and profit-driven. Development of people, as entrusted to the United Nations and to Governments, is not their main priority.

Before we can engage to further this cooperation, our developed partners must earn our trust by globalizing the benefits of the global economy made possible by our global cooperation and partnerships. They must meet the official development assistance commitment of 0.7 per cent. They must also liberalize

the market. They must allow effective participation of developing countries in the decision-making processes of the United Nations, the WTO, the World Bank and the IMF. They must show good will by cancelling the debt of the poor and supporting the United Nations financially in full and on time, according to their capacities, so that it can meet the needs of developing countries. Developing countries need a Marshall Plan: special and differential treatment on a contractual basis to enable us to benefit and bridge the widening gap between the 1 billion rich and the 5 billion poor.

If global cooperation in the private sector is not about participation, equity and development, then inevitably it will be about exploitation and colonization, as indeed already seems to be the case. In this regard, developing countries will be cooperating in their continued denial of the right to development, a violation of our basic human rights to a better standard of living. We will be cooperating and legitimizing our continued exploitation and recolonization. Without effective participation, equity and development, developing countries will be partners in terrorizing the small, the weak and the vulnerable into unsustainable development options and destructive liberalization. We will be cooperating in the perpetuation of global injustices and inequities by sustaining undemocratic institutions and processes. We will be cooperating in passing on our development to a few countries and corporations, with the consequent increase of poverty and conflict in our countries, thus threatening our peace, security and development.

Global cooperation, global partnerships or the globalizing of transnational corporations without equity, participation and development for developing countries is coopting the poor as accomplices in their own demise. The current unequal distribution of cooperation and partnerships, mainly in social areas, exclusive of economic and technological cooperation, is the underlying cause of oppression and death in the world. We need global cooperation and partnerships, yes, and we have given it. Now we need global sharing of the benefits of the global cooperation and partnerships.

Developing countries need this guarantee from developed partners before we can engage further in globalizing cooperation and partnership. Saint Lucia therefore proposes a simple procedural draft resolution to get the item on the agenda and a full and comprehensive discussion before partnerships can be defined or agreed upon. We therefore would not support any mention of substantive issues that could pre-empt a full and comprehensive assessment of global partnerships for the development of all people. My delegation looks forward to meaningful global partnerships with the private sector to ensure the globalizing of the benefits of the global economy for the development of all peoples of the world. This is our only guarantee for security, peace and development in the new millennium.

Mr. Ahmad (Pakistan): We thank the German delegation for taking the initiative in bringing the important issue of global partnerships for debate in the General Assembly. The inscription of the item entitled "Towards global partnerships" on the Assembly's agenda has clearly established that it is the Member States that have the fundamental role in decision-making about the United Nations interaction with other relevant actors.

Our deliberations on this agenda item are rooted in the Millennium Declaration. It is perhaps the first highest-level intergovernmental document that has called for the development of strong United Nations partnerships with the private sector and civil society organizations in pursuit of development and poverty eradication. Any other process on such partnerships, no matter how well meaning, is not truly a United Nations initiative.

To put the whole debate in its true perspective, I would like to begin my statement by reaffirming the primacy of Governments in the United Nations. We are here in the General Assembly of the United Nations as the representatives of Governments, of peoples and of States. The United Nations Charter assures States of their sovereign equality, their political independence and their territorial integrity. At the recently held Millennium Summit, our leaders rededicated themselves to uphold these principles of the Charter of the United Nations.

States are the principal organizational entities constituted by the people. The overall organizational structure of international relations is the inter-State system. It has been universally recognized that there is no substitute for States. That is particularly true in the age of globalization. If States are diminished, so will this Organization. The United Nations and all its 189 Member States must endeavour to protect and preserve the primacy of the entity we know as the

State, whose sovereignty, territorial integrity and political independence have been enshrined in the Charter and in international law.

We would like to express in no uncertain terms that the continued reaffirmation of the sovereignty of the State and its principal role in the United Nations in terms of the Charter must not be regarded as an attempt to abdicate our responsibilities accepted under various legal instruments. Pakistan is deeply committed to the promotion and protection of universally recognized human rights, labour standards as enshrined in the conventions of the International Labour Organization (ILO), and the precepts of sustainable development. We have unshakeable faith in these fundamental values and principles. However, we are of the view that the most pragmatic way to promote adherence to these values and principles is through continued and close cooperation among States. To overlook or undermine, either explicitly or implicitly, the principal role of the State is not a laudable cause.

States are national and international entities of enormous complexity, differing in so many aspects from corporate entities of the private sector. Corporate private sector entities usually have limited purposes, and their activities are narrow in scope. Their governance structure is authoritarian, and they are driven by a monolithic culture. Similarly, the innumerable entities referred to as civil society also have different roles and organizational structures. This is not to underestimate their capacity to contribute to our work, but rather to highlight the inherent differences and their respective roles.

Against the backdrop of these fundamental differences, we would like to present our view on the efforts to build partnership with relevant actors in the pursuit of development and poverty eradication.

We recognize that the world is becoming increasingly inter-dependent, and that there has been an emergence of major actors who play a critical role in economic and social development. While their activities have significant impact on the pursuit of these goals, the motivation for their actions is entirely different from the purpose for which the United Nations was created. Pakistan firmly believes that there is no organization in the world — no matter how strong and powerful — that can even claim to be an equal to the United Nations. At the Millennium Summit, our leaders reaffirmed their faith in the Organization and its Charter as being indispensable foundations for a more peaceful, prosperous and just world. No other entity has such unanimous support for its purposes and principles.

The United Nations has the central role in promoting development in the context of globalization. The world should rally around the United Nations; that is the defining principle of global partnerships to be built by the United Nations. Parameters for the building of partnerships should be determined by the General Assembly and should be grounded in the principles and purposes of the Charter. The United Nations should not become an instrument to propagate the interests of its potential partners. It is the partners who have to shape their activities to promote the principles and objectives of the Organization.

There have been some attempts to bypass Member States in launching initiatives to build compacts with various entities to propagate the implementation of principles dealing with human rights, labour standards and environmental protection. We would like to reiterate that Pakistan is deeply committed to these values and principles. We do not question the noble and praiseworthy intentions of the authors of these ideas; but there are some valid concerns about the somewhat opaque process that has been pursued in the name of the United Nations. Why have Governments been left out of this laudable endeavour? Is this an attempt to impose cross-conditionalities on foreign direct investment that could not be imposed through other intergovernmental processes? Is it not inconsistent with the Charter of the United Nations and other conventions to ask the corporate sector to implement conventions that are the responsibility of the Governments that have signed those documents? Is there not a risk that the imposition of a set of social policies by the corporate sector would give it immense powers to dictate its policies to host countries? All these questions and concerns need to be addressed before we embark on the path of building global partnerships. We must save and protect the United Nations as United Nations organizations, lest it becomes a united civil society organization or a united non-governmental organization.

For our delegation, the German draft initiates an intergovernmental process to develop a fundamental framework for such partnerships; and the Member States will have the primary role in determining the form and objectives of such partnerships. In order to

ensure ownership by Member States, that intergovernmental process should never be bypassed. All of us must endeavour to ensure the primacy of the United Nations General Assembly in launching any new initiatives.

The Millennium Declaration reaffirmed the central position of the General Assembly as the chief deliberative, policy-making and representative organ of the United Nations. Our leaders expressed their resolve to enable it to play that role effectively. Here, Sir, I am talking of the General Assembly over which you are presiding at this moment. Our efforts to realize the priorities and objectives outlined at the Millennium Summit should be guided by that commitment.

Pakistan looks forward to participating actively and constructively in the intergovernmental process that will establish the framework for building the partnerships that are essential for the realization of the goals of development and of poverty eradication.

The President: We have heard the last speaker in the debate on this item.

I should like to inform members that a draft resolution under this item will be submitted at a later stage.

Agenda item 183

Peace, security and reunification on the Korean peninsula

Draft resolution (A/55/L.14)

The President: I call on the representative of the Democratic People's Republic of Korea to introduce draft resolution A/55/L.14.

Mr. Li Hyong Chol (Democratic People's Republic of Korea): I have the honour to introduce draft resolution A/55/L.14, submitted under agenda item 183, entitled "Peace, security and reunification on the Korean peninsula". In the draft resolution the General Assembly would welcome and support the historic inter-Korean summit held at Pyongyang in June this year, and its resulting joint declaration, recognizing them as a major breakthrough in inter-Korean relations and in realizing eventual peaceful reunification.

Further, the General Assembly would encourage the North and the South of Korea to continue to implement fully and in good faith the joint declaration and other agreements reached between the two sides, and would invite Member States to support the process of inter-Korean dialogue, reconciliation and reunification so that it may contribute to peace and security on the Korean peninsula and in the world as a whole.

As the Assembly is well aware, a historic meeting between the leaders of the North and of the South of Korea and talks at the highest level were held at Pyongyang last June — the first of their kind in the history of Korea's division — at which both sides agreed to develop North-South relations and to achieve national reunification on the basis of the three principles of independence, peaceful reunification and great national unity. That agreement was issued as the joint declaration of 15 June.

That was an epoch-making event that has laid a solid foundation for ensuring durable peace on the Korean peninsula and for achieving national reunification, the long-cherished desire of the Korean nation. It thus contributed to peace and security in North-East Asia and in the rest of the world. Since the Pyongyang summit and the issuance of the 15 June joint declaration, the North and the South have been taking a series of specific practical measures aimed at implementing the joint declaration; they have enjoyed the active support and solidarity of the international community.

The draft resolution jointly submitted by the North and the South of Korea, and sponsored by more than 150 other countries, reflects the expectation of the international community that the present encouraging positive developments on the Korean peninsula will lead to a durable peace and to reunification. It is also of great significance that the North and the South of Korea have jointly submitted a draft resolution for the first time in history, and that they are closely cooperating for its adoption by the General Assembly. In that regard, we express our deep thanks to the other sponsoring countries and to other Member States for extending full support to the joint initiative by the North and the South of Korea.

I believe that the adoption of draft resolution A/55/L.14 will be an important step encouraging the North and the South of Korea in their efforts to achieve peace, security and reunification, and I hope that the draft resolution will be adopted by consensus.

The President: I call on the representative of the Republic of Korea, to introduce draft resolution A/55/L.14.

Mr. Sun (Republic of Korea): I am grateful for this opportunity to join the Permanent Representative of the Democratic People's Republic of Korea in introducing the draft resolution entitled "Peace, security and reunification on the Korean peninsula", which has been issued as document A/55/L.14.

I should like to announce that, since its publication, the following additional countries have become sponsors of the draft resolution: Angola, Antigua and Barbuda, Armenia, Azerbaijan, Belarus, Belize, Benin, Bosnia and Herzegovina, Botswana, Burkina Faso, Burundi, Cape Verde, Cuba, Djibouti, El Salvador, Eritrea, Estonia, Ethiopia, Fiji, Finland, the Gambia, Guinea, Haiti, Iceland, Israel, Jamaica, Jordan, Latvia, Lebanon, the Libyan Arab Jamahiriya, Madagascar, Maldives, Mali, Mozambique, Namibia, Nauru, Nepal, Niger, Papua New Guinea, the Republic of Moldova, Saint Kitts and Nevis, Samoa, Sao Tome and Principe, Solomon Islands, the Sudan, the Syrian Arab Republic, Tajikistan, the former Yugoslav Republic of Macedonia, Tunisia, Uganda, the United Arab Emirates, the United Republic of Tanzania, Yemen, Zambia and Zimbabwe.

As noted in this draft, with the historic inter-Korean summit meeting held in Pyongyang in June 2000 — the first of its kind since Korea's division 55 years ago — and the adoption of the joint declaration, a major breakthrough has been made in South-North Korean relations. Since the summit both sides have been active in implementing the agreements and expanding areas of cooperation. The Co-Chairpersons of the Millennium Summit issued a statement welcoming and encouraging the peace process on the Korean peninsula. This reflects the magnitude of the support from the international community for the breakthrough in inter-Korean relations.

In parallel with the new developments on the Korean peninsula, a number of countries have established diplomatic relations with the Democratic People's Republic of Korea. Others are undertaking serious talks with the latter, which we believe will help to shape a new political environment conducive to peace and stability in North-East Asia.

The positive turn in inter-Korean relations has enabled the Republic of Korea and the Democratic People's Republic of Korea, with the support of more than 150 Member States, to introduce this draft resolution. If adopted, the draft resolution should greatly encourage the efforts to bring about durable peace, laying a solid foundation leading towards the reunification of the Korean peninsula, and also contribute to promoting peace and security in East Asia and beyond.

Before closing, I would like to express my deep gratitude and sincere appreciation to you, Mr. President, and to the Member States, for supporting this draft resolution. We hope that it will be adopted by consensus.

Mr. Mahbubani (Singapore): The draft resolution under the agenda item entitled "Peace, security and reunification on the Korean peninsula", which we are considering, is likely to sail through the General Assembly quickly and smoothly. As a result, not many in this Hall may be aware that what we are witnessing today is truly historic.

Few could have predicted, as recently as 12 months ago, that the Democratic People's Republic of Korea and the Republic of Korea would jointly propose both an agenda item and a draft resolution for adoption by consensus. All of us should welcome this development. We live in difficult times, when good news on peace and security is often hard to come by. One small but important corner of the world where the clouds have parted and allowed some sunshine in is the Korean peninsula. As Ambassador Li Hyong Chol of the Democratic People's Republic of Korea said, when he spoke on this item in the General Committee, this is truly a significant development. All of us present in this Hall should be pleased that we are here for this historic moment.

Many significant developments have paved the way for our meeting today. The most significant breakthrough was the historic summit meeting held in Pyongyang from 13 to 15 June 2000 between the leaders of the Democratic People's Republic of Korea and the Republic of Korea. Their joint declaration represented a truly major breakthrough in inter-Korean relations, which, hopefully, will also pave the way for eventual peaceful reunification.

As a consequence, the atmosphere in the Korean peninsula has improved significantly. We have witnessed the reunion of long-separated families. Those of us who watched the scenes of reunion on

television could not but be affected by the joy and happiness of the families. We understand that work on connecting the railroads is in progress. Equally significantly, we also saw a joint Korean team enter the stadium during the opening of the recent Sydney Olympic Games.

These positive developments will have implications far beyond the Korean peninsula. They also augur well for the peace and stability of our entire region. That is why all of us in the region have welcomed them. It is also not surprising that we have witnessed another historic development: the visit of the United States Secretary of State, Madeleine Albright, to Pyongyang, which was another indicator of the positive developments that we can expect.

As the Ambassador of the Republic of Korea, Ambassador Sun Joun-yung, said in the General Committee, we should all hope that this will encourage similar breakthroughs in the rest of the world and serve as an example for other countries. Few areas in the world have experienced tension as sharply as has the Korean peninsula. A breakthrough here must provide a powerful symbol of hope for other areas of tension in the world.

In conclusion, I should like to say that Singapore feels honoured and privileged to have been requested to speak in support of both the inclusion of this agenda item and the adoption of the draft resolution before us. We have good relations with both the Democratic People's Republic of Korea and the Republic of Korea. We wish them all the best as they embark on a new historic journey, and we call upon all United Nations Member States to support the draft resolution fully and stoutly.

Mr. Menan (Togo) (*spoke in French*): Consideration by the General Assembly of the item entitled "Peace, security and reunification on the Korean peninsula" is taking place at a very timely moment. It follows the almost complete satisfaction expressed by the international community after the historic inter-Korean summit last June in Pyongyang between the Presidents of the Democratic People's Republic of Korea and of the Republic of Korea. Their joint declaration reflects their determination to put an end to the period of tension that has characterized relations between the two countries for over five decades, to start a new chapter in their painful history and to work for the promotion and consolidation of new inter-Korean relations with the aim of the eventual peaceful reunification of the two Koreas.

The new momentum in relations between the two countries, after a long period of military tension, has been reflected in a series of events in implementation of the Pyongyang summit joint declaration. A highlight of those events was the beginning, on 26 September 2000, of periodic meetings between the Ministers of Defence of the two countries to try to find ways to reduce tension on the Korean peninsula and to carry out common projects in order to establish the foundation for durable peace and stability in the region and beyond.

Like a number of Member States, Togo was quick to establish relations of friendship and cooperation — which it has maintained — with the Democratic People's Republic of Korea and the Republic of Korea, convinced that the division of the Korean peninsula ran counter to the deeply held aspirations of the Korean people and that isolating either Korea would not help thaw relations between the two countries. My country therefore welcomes the launching of a reconciliation process, and hopes that it will lead to tangible results in harmony with the legitimate aspirations of the Korean people.

Accordingly, it is natural that Togo should be a sponsor of the draft resolution that the General Assembly is about to adopt, whose purpose is to gain the support of Member States for the new dynamic in the Korean peninsula, leading, we hope, to the peaceful reunification of the two Koreas. Realizing that objective depends primarily on the will and determination of Koreans to restore confidence and to work for peace and stability on the peninsula. It also depends on the ability of the international community to accompany the Koreans in their attempt to build a peaceful nation, focused resolutely on development, in accordance with the underlying message of the Millennium Declaration of 8 September.

My delegation and the many other Member States that back the draft resolution regard it as the most eloquent expression of support and solidarity. But, beyond adopting this text, only by providing specific and lasting support to the Korean people will the international community make a useful contribution.

Mr. Satoh (Japan): As a neighbouring country, Japan is very pleased to sponsor draft resolution A/55/L.14. The fact that over 150 countries have

become sponsors is ample testimony to the strong wish of the international community to support the efforts of the Republic of Korea and the Democratic People's Republic of Korea to promote reconciliation between them and attain peace on the Korean peninsula, where military confrontation still remains. The very fact that the draft resolution was proposed jointly by the Republic of Korea and the Democratic People's Republic of Korea is encouraging, for it reflects the spirit of cooperation created by the historic inter-Korean summit meeting between President Kim Dae-jung and Chairman Kim Jong Il. We sincerely hope that this epoch-making draft resolution will add yet more momentum to the process of reconciliation and cooperation commenced by the two leaders.

Japan, for its part, has been engaged in trilateral cooperation between the Republic of Korea, the United States and Japan, with the aim of creating a more stable and peaceful Korean peninsula. Japan is also engaged in the talks to normalize relations with the Democratic People's Republic of Korea, while providing humanitarian assistance to Pyongyang. We hope that our efforts through these undertakings will help promote the process of reconciliation and cooperation between the two parties on the Korean peninsula.

Mr. Levitte (France) (*spoke in French*): I am pleased to take the floor on behalf of the European Union. The countries of Central and Eastern Europe associated with the European Union — Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia — and the associated countries — Cyprus, Malta and Turkey — as well as Iceland and Norway, as European Free Trade Association countries and members of the European Economic Area, align themselves with this statement.

The European Union supports the draft resolution on peace, security and reunification on the Korean peninsula, which its members have sponsored. The draft, jointly prepared by the Republic of Korea and by the Democratic People's Republic of Korea, illustrates the progress achieved in relations between the two countries with the holding of the inter-Korean summit last June. The European Union has long called for direct dialogue between the two Koreas. It welcomed the historic summit in Pyongyang, which it considers to be an important step on the way to reconciliation between the Republic of Korea and the Democratic People's Republic of Korea. The Union congratulates President Kim Dae-jung and National Defence Commission Chairman Kim Jong Il on their initiatives.

For several years the European Union has supported efforts to maintain stability and reach a lasting peace settlement on the Korean peninsula. It supports the constructive engagement policy of the Republic of Korea towards the Democratic People's Republic of Korea, the "Sunshine Policy", undertaken with courage and determination by President Kim Dae-jung, whose personal commitment to peace was recognized by the award of the Nobel Peace Prize. The European Union also supports the quadripartite talks between the two Koreas, China and the United States to bring about a permanent peace settlement, as well as the framework agreed in 1994 between the United States and the Democratic People's Republic of Korea.

The European Union is an active member of the Executive Board of the Korean Peninsula Energy Development Organization (KEDO), whose work improves regional stability and helps to uphold the international nuclear non-proliferation regime. Since 1995 the European Union has also given substantial food assistance to alleviate food shortages, which continue to ravage the Democratic People's Republic of Korea, and the humanitarian problems arising from them.

The inter-Korean summit in June opens the way to further progress in dialogue and reconciliation between the two Koreas. The European Union welcomes the steps that both sides have already taken in implementing the South-North Joint Declaration adopted in Pyongyang — notably, family reunions, economic cooperation and dialogue on military issues. The European Union calls on both countries to continue their efforts in this regard.

To support this progress, the European Union wishes to encourage the Democratic People's Republic of Korea to continue the inter-Korean reconciliation process. To this end, the EU plans to implement, in the short term, the following measures, which were adopted by the Council of the European Union on 9 October. The first is stepping up the political dialogue, making it possible not only to gain a better idea of the view of the Democratic People's Republic of Korea, but also to stress the concerns and expectations of the EU. The second is to increase the Democratic People's Republic of Korea's access to experience the EU has gained in the area of confidence-building measures.

The third is the implementation of preparatory measures for possible medium-term technical assistance in priority sectors. The fourth is the examination of the possibilities of improving the Democratic People's Republic of Korea's access to the European market.

The implementation of these measures will be regularly assessed. Depending on the progress made, complementary measures might be envisaged. During the Asia-Europe Summit held 10 days ago in Seoul, the members of the European Union and the Asian countries participating in the Summit jointly expressed their support for the ongoing reconciliation and cooperation between the Republic of Korea and the Democratic People's Republic of Korea. The Asia-Europe Summit partners affirmed their willingness to assist in enhancing confidence, peace and security on the Korean peninsula and in the region.

The draft resolution to be adopted today by the General Assembly encourages the Republic of Korea and the Democratic People's Republic of Korea to continue their efforts to lay a solid foundation for peaceful reunification. Furthermore, this draft resolution invites the Member States to support the inter-Korean process. The European Union fully associates itself with this appeal and intends to contribute to the process.

Ms. Plaisted (United States): The United States is pleased to co-sponsor this draft resolution recognizing the historic significance of the summit meeting between the leaders of the Republic of Korea and the Democratic People's Republic of Korea.

We have consistently supported President Kim Dae-jung's engagement policy and have urged both sides of the peninsula to engage in this kind of productive dialogue.

The joint declaration announced at the end of the summit represented a major breakthrough in achieving durable peace and reunification on the peninsula. We welcome the progress made in implementing that declaration, especially the succession of ministerial-level talks that have taken place since the summit.

The United States has encouraged broad international engagement with the Democratic People's Republic of Korea as that country addresses areas of international concern. This policy was affirmed in Dr. William Perry's review of United States policy in October 1999.

A number of countries have taken steps to normalize ties with the Democratic People's Republic of Korea. We welcomed the participation of the Democratic People's Republic of Korea in the Association of South-East Asian Nations (ASEAN) Regional Forum, where Secretary of State Madeleine Albright and Foreign Minister Paek Nam Sun held the first-ever ministerial-level meeting between the United States and the Democratic People's Republic of Korea.

Reflecting these improvements in the overall atmosphere, Chairman Kim Jong Il sent a special envoy, Jo Myong Rok, to Washington on 10 to 12 October, to convey Chairman Kim's views directly to us.

The visit resulted in the issuance of the 12 October joint communiqué, and Secretary Albright made an historic trip to Pyongyang just last week to build upon the progress reported in the joint communiqué. The joint communiqué included the statement that "neither Government would have hostile intent toward the other" and confirmed the commitment of both Governments to make every effort in the future to build a new relationship free from past enmity.

The communiqué went on to note that there are a variety of ways to reduce tension on the Korean Peninsula and formally end the Korean War by replacing the 1953 Armistice Agreement with permanent peace arrangements. These include the four-party talks, in which the Government of the People's Republic of China participates as an active partner.

The joint communiqué also noted the value of regular diplomatic contacts, bilaterally and in broader forums, and that the resolution of the missile issue would make an essential contribution to a fundamentally improved bilateral relationship and to peace and security in the Asia-Pacific region.

And the communiqué detailed important areas of bilateral cooperation: access to a sensitive underground site in support of the agreed framework; humanitarian assistance; the recovery of the remains of United States servicemen missing since the Korean War; and support and encouragement for international efforts against terrorism.

Significantly, the joint communiqué began and ended by recognizing that the historic inter-Korean summit had fundamentally changed the circumstances on the Korean Peninsula.

The United States expressed its firm commitment to assist, in all appropriate ways, the continued progress and success of the ongoing inter-Korean dialogue and initiatives for reconciliation and greater cooperation, including increased security dialogue.

Inter-Korean dialogue is central to establishing lasting peace on the Korean Peninsula, a peace in which these United Nations, as a party to the initial conflict, is deeply involved.

Once again, we express our strong support for and co-sponsorship of this draft resolution.

Mr. Nguyen Thanh Chau (Viet Nam): The question of peace, security and reunification on the Korean Peninsula is surely a very fundamental item on the agenda of the United Nations General Assembly at this session. My delegation would like to associate itself strongly with the draft resolution entitled "Peace, Security and Reunification on the Korean Peninsula" as contained in document A/55/L.14. As one of the sponsors of the draft resolution, Viet Nam wishes to underline that the adoption of the draft by the General Assembly is of special significance for the question of peace and security in North-East Asia as well as the world over.

Half a century has gone by, and the division of the peninsula is still of burning concern to the people who live on either side of the artificial demarcation line. The international community has also learned important lessons from the tragic war that took place 50 years ago in the Land of the Morning Calm. In this context, it is all the more gratifying that here at the United Nations we are now able to hold a debate in a positive atmosphere on the destiny of the Korean people and their intense aspiration to live in peace in a unified land.

My delegation wishes to thank the delegations of the Democratic People's Republic of Korea and the Republic of Korea for their joint efforts to this end. We are extremely satisfied to see that they have overcome numerous, seemingly insurmountable hurdles and worked hard together for the common interests of their people. We firmly believe that, given their determination to work for enhanced peace and security as well as for national reunification, the Korean people will make sustained efforts towards national reconciliation.

As a country that enjoys a good relationship with the two Koreas, Viet Nam has followed closely and with keen interest the recent promising developments on the Korean peninsula. We warmly welcome the efforts towards national reconciliation and peaceful dialogue between the two Korean Governments, as well as the efforts of the Democratic People's Republic of Korea to improve and normalize its ties with western countries, the United States in particular.

We fully support the joint declaration issued at the inter-Korean summit that took place in Pyongyang in June 2000. Viet Nam firmly believes that the implementation of the Declaration will further the cause of peace and security on the peninsula, thus bringing the Korean people closer to their dream of living in a reunified Korea. It is also our firm conviction that the two Koreas will work harder together to take concrete steps to realize the joint declaration.

I wish also to take this opportunity to bring to the Assembly's kind attention that, in the wake of the positive developments that took place at the historic inter-Korean Summit, the Foreign Minister of Viet Nam, Mr. Nguyen Dzy Nien, made official visits to both the Democratic People's Republic of Korea and the Republic of Korea and had fruitful discussions with the leaders of both countries.

Viet Nam will continue its efforts to contribute to the peaceful dialogue and cooperation between the Democratic People's Republic of Korea and the Republic of Korea, to ensure that the brotherly people on the Korean peninsula will soon be able to live in a reunified Korea. We strongly believe that the Korean people will overcome every obstacle in their path and join together to build a strong, peaceful and prosperous country on the Han river, in line with their admirable, age-old traditions.

Mr. Granovsky (Russian Federation) (*spoke in Russian*): The Russian Federation is one of the sponsors of the draft resolution on "Peace, security and reunification on the Korean peninsula" and attaches great importance to the adoption by the General Assembly of this historic draft.

We support all realistic steps leading to an easing of the confrontation on the Korean peninsula, peaceful cooperation and the normalization of relations between the Democratic People's Republic of Korea and the Republic of Korea, because we regard this process as a substantive factor in the strengthening of peace and stability in North-East Asia. Russia wishes to express its deep satisfaction at the historic meeting and talks that took place between the leaders of the two Korean States in Pyongyang in mid-June and notes with optimism the agreements reached there. We note in particular the agreement of the parties to proceed to the unification of Korea through the efforts of the Koreans themselves, by means of the joint efforts of the Korean nation.

The number of practical steps that have taken place following this meeting testify to the translation into reality of the aspiration to reduce the military and political confrontation, which was noted at the meeting, and to establish peaceful cooperation between the Korean States in various areas. We expect that the positive impetus imparted to relations between North and South as a result of the top-level June meeting will grow stronger and facilitate further headway in this process.

The inter-Korean summit and its outcome testify to the enhancement of the positive trends in the situation on the Korean peninsula, of which our country has long been a consistent advocate. These trends reflect the aspirations not only of the Koreans themselves but of all States interested in resolving the Korean problem.

Russia intends to continue actively to contribute to the advancement of this process. Convincing evidence of this was provided by the outcome of the visit of the President of the Russian Federation, Vladimir Putin, to Pyongyang in July this year. We are well aware of the magnitude of the problems that will have to be solved in the context of the national reconciliation of North and South Korea, and we wish Koreans on both sides of the 38th parallel fresh successes in the direct dialogue that they have begun.

Mr. Wang Yingfan (China) (*spoke in Chinese*): Last June the leaders of the Democratic People's Republic of Korea and the Republic of Korea decided, with statesman-like vision and wisdom, to hold a historic meeting. That meeting led to positive results and gave fresh momentum to the process of achieving peace and stability on the Korean peninsula.

Since the summit, there has been a marked easing of the situation on the Korean peninsula and a breakthrough in the relations between the two Koreas. All of these developments reflect the longstanding desire of the peoples of the two Koreas for peace and unification and are in keeping with their fundamental interests and the trend towards peace and development in today's world. These developments are also conducive to peace and stability on the peninsula and throughout the world.

As a friendly neighbour, China would like to express its heartfelt satisfaction and pleasure at this positive development. China hopes that this positive momentum will be maintained.

China has always attached importance, and dedicated itself, to the preservation of peace and stability on the Korean peninsula. It has consistently advocated and supported the two sides in resolving their differences through dialogue and consultation, in order that they might realize independence and peaceful reunification.

We firmly support the improved relations between the two Koreas and sincerely hope that the reconciliation process will continue.

Some days ago, the two Koreas jointly requested that the item on peace, security and reunification on the Korean peninsula be considered at this session of the General Assembly and submitted a draft resolution to assist their efforts to achieve independence and peaceful reunification. We support this and have become a sponsor of the draft resolution.

We also appreciate and support all the international community's efforts for peace and stability on the Korean peninsula. China will, as always, strive for that goal.

Mr. Stuart (Australia): Australia strongly supports the draft resolution under the item entitled "Peace, security and reunification on the Korean peninsula" and is happy to co-sponsor it.

We are delighted at the success of the North-South leaders' summit of June 2000. The Australian Prime Minister made a public statement of support for the summit at that time. He said that, as the first meeting of Korean leaders in 55 years, the summit

marked a significant step towards improved communication and understanding between the Koreas. Australia hopes that the cooperation created by the summit and its follow-up will eventually see the building of reconciliation on the peninsula and greater security in our region.

Australia has been doing its part to improve peace and stability on the Korean peninsula. Australia and the Democratic People's Republic of Korea resumed diplomatic relations on 8 May 2000, ending 25 years of interrupted relations. Each of our two countries appointed non-resident Ambassadors in July this year. Australia was pleased to support the Democratic People's Republic of Korea's entry into the Regional Forum of the Association of South-East Asian Nations. We are deeply satisfied that both Koreas were able to participate in the Forum for the first time in July this year. Australia has also contributed to tackling the Democratic People's Republic of Korea's humanitarian crisis. Through international organizations, we have contributed $19.5 million since 1995 in humanitarian assistance to relieve food shortages.

We hope that the process of reconciliation will soon produce the long-awaited lessening of tensions. The Korean peninsula has been an area of extreme tension of great concern to all in the region. We welcome all efforts to engender confidence and to address outstanding concerns.

One effective mechanism has been the Agreed Framework, which offers a solution to concerns about nuclear developments on the peninsula. Australia strongly values the role of the Korean Peninsula Energy Development Organization (KEDO) in reducing the risk of proliferation on the peninsula. We urge support for that instrument and full and timely cooperation with the International Atomic Energy Agency. Australia has, to date, given $17.9 million to KEDO for oil to meet the Democratic People's Republic of Korea's energy needs under the Agreed Framework.

We commend the draft resolution on this item to the General Assembly.

Mr. Powles (New Zealand): New Zealand joins others in warmly welcoming the heroic efforts towards peace and security shown by President and Nobel Peace Prize winner Kim Dae-jung and Chairman Kim Jong Il recently. In the past year, and particularly since the historic inter-Korean summit in Pyongyang in June, the outlook for peace on the Korean peninsula has changed fundamentally. New Zealand, along with the international community, has given this change its wholehearted support.

New Zealand's engagement in the Korean peninsula began 50 years ago with our participation in the Korean War. Out of some 6,000 of my countrymen who fought in that war, a significant number did not come home again. Their sacrifice is remembered not only in New Zealand, but also very much in the Republic of Korea. New Zealand still maintains a presence on the Korean peninsula today through our participation in the United Nations Command. The flying of our flag in the demilitarized zone is an important symbol of New Zealand's ongoing commitments to peace and stability on the peninsula.

The draft resolution before the General Assembly today marks the historic outcome of the June summit meeting between President Kim Dae-jung and Chairman Kim Jong Il. The joint declaration and other agreements reached between these two leaders together represent a major breakthrough in inter-Korean relations. These agreements are the foundation on which the eventual peaceful reunification of the Korean peninsula will be built. My Government therefore fully supports their implementation.

From New Zealand's perspective, we hope that the easing of tensions on the Korean peninsula will bring an end to proliferation in our part of the world. Peace and stability on the Korean peninsula is one of the guarantees of enhanced security and prosperity in North Asia and the Pacific. We therefore fully support this draft resolution and its historic significance for the cause of world peace.

Mr. Valdez Carrillo (Peru) (*spoke in Spanish*): Peru is one of several countries that requested the inclusion of the additional item on peace, security and reunification on the Korean peninsula on the agenda of the General Assembly at its current session. It is also a sponsor of the draft resolution before us, which we hope will enjoy the unanimous support it deserves.

We are participating in the spirit that has always characterized our participation in the activities of this Organization, promoting conditions conducive to the United Nations objective of achieving peace and security. We are also convinced of the need for the international community to support the policy of rapprochement being pursued by the Governments of

the Democratic People's Republic of Korea and Republic of Korea, the highlight of which was the Pyongyang summit of June this year, which has had a very positive impact on relieving tensions in the area. This policy has also received additional support from a number of States Members of the Organization at differing levels of development and regional participation as an outstanding example of broad-based economic cooperation with direct positive implications for regional and, ultimately, global security.

Peru, a country of the Asia-Pacific region with important links to the region that have been strengthened in recent years, is extremely pleased at the results of this policy. We have also supported the programme that began with the 1994 Agreed Framework between the United States of America and the Democratic People's Republic of Korea, which is supported by the Republic of Korea and Japan and enjoys the direct cooperation of 13 other countries at different levels of regional participation. It is cases such as this that, in Peru's opinion, contribute to the development of mutual confidence and thus to the gradual adoption of measures to reduce and eventually remove the threat of conflict.

The process that has been begun, and which is welcomed in the draft resolution, goes beyond the geographic area of the Korean peninsula and is therefore the initial step of a process that will benefit not only the Korean people, but also the region as a whole. Peru hopes that this rapprochement between the two Koreas will bear fruit and therefore supports the policies pursued by both Governments to that end.

Mr. Cappagli (Argentina) (*spoke in Spanish*): The Argentine Republic was one of the countries that vigorously supported the inclusion of this item on the agenda of the General Assembly and it sponsored the draft resolution. By this simple act, we reaffirm our commitment to the process of consolidating peace and security on the Korean peninsula and to all the efforts for its peaceful reunification.

On this occasion, we pay tribute to the important steps taken by the leaders of the Democratic People's Republic of Korea and of the Republic of Korea, which have produced significant progress in their relations. These efforts have also been recognized internationally by the recent award of the Nobel Peace Prize to Kim Dae-jung, President of the Republic of Korea.

Along these lines, the draft resolution contains a clear message from the community of nations, represented in the United Nations, encouraging the two States to continue working in this process, implementing in good faith the joint declaration and the other agreements reached between the two sides, together with all those other measures that may consolidate peace on the Korean peninsula and lay a solid foundation for peaceful reunification.

It also invites Member States to support and assist this process of inter-Korean dialogue, reconciliation and reunification. In this context, I am happy to report that since yesterday a delegation from Argentina, chaired by the Deputy Foreign Minister, has been in Seoul.

The President: We have heard the last speaker in the debate on this item. We shall now proceed to consider draft resolution A/55/L.14.

I should like to announce that since the introduction of the draft resolution the following countries have become sponsors: Antigua and Barbuda, Eritrea, Guinea, Haiti and Monaco.

The Assembly will now take a decision on the draft resolution. May I take it that the Assembly decides to adopt draft resolution A/55/L.14?

Draft resolution A/55/L.14 was adopted (resolution 55/11).

May I take it that it is the wish of the Assembly to conclude its consideration of agenda item 183?

It was so decided.

Agenda item 37

Implementation of the outcome of the World Summit for Social Development and of the special session of the General Assembly in this regard

Report of the Secretary-General (A/55/344)

The President: Last summer we completed the five-year review of the World Summit for Social Development. The political declaration and the five-year review document (A/S-24/8/Rev.1) of the special session of the General Assembly underline the need to focus our attention and efforts to achieve more equitable, socially just and people-centred societies.

There are about 40 substantial initiatives or new international agreements for action in the document.

One of the most important is the call for rigorous analysis of advantages, disadvantages and other implications of proposals for developing new and innovative sources of funding, both public and private, for social development and poverty eradication programmes. A study of new sources of revenue, including a currency transaction tax and a Tobin tax, might lead the way to better and more effective global public management of the international financial system.

In the decisions made by the five-year review of the World Summit for Social Development, there was a strong call for reducing the volatility of international finances and managing crises better to protect the social services during crises. This topic may also be further elaborated in the financing for development event next year.

Another initiative called for all United Nations agencies to integrate health policies more effectively into their programmes, including action through trade agreements and increased incentives for research to improve access of developing countries to affordable and effective pharmaceutical agents, as well as action to strengthen workers' rights and the social protection of the most vulnerable in our society.

There was agreement to the target of access to basic education for all by 2015 and agreement on the importance of positive and affirmative action to achieve gender equality.

The concept of corporate social responsibility was added to the international agenda for the first time in the five-year review of the World Social Summit last summer. Furthermore, there was agreement on the global target for poverty reduction of halving by 2015 the proportion of people living in extreme poverty. There are about 1.2 billion people among us today living on less than $1 a day. A decision to start a more integrated global campaign to reduce poverty was taken. Subsequently, preparations for an international employment strategy, with the International Labour Organization in the lead, are being made, with plans to hold a global employment forum next year.

My short introductory note to this agenda item cannot encompass the entire debate and all the results of the special session. I may say only that in the follow-up to the five-year review there are urgent actions to be taken for all constituencies of our society, at the international, regional and national levels and for all players, including Governments and civil society actors.

Finally, I would like to quote from paragraph 12 of the political declaration of Geneva, as follows:

> "At the dawn of the new millennium, aware of our responsibilities towards future generations, we are strongly committed to social development, including social justice, for all in a globalizing world. We invite all people in all countries and in all walks of life, as well as the international community, to join in renewed dedication to our shared vision for a more just and equitable world."

May those words guide our debate today.

I should like to inform members that, in a letter dated 21 September 2000 addressed to the President of the General Assembly, the Permanent Representative of Sweden to the United Nations, in his capacity as Chairman of the Group of Western European and Other States for the month of September, requests that the General Assembly hear in plenary meeting a statement by the Observer of the Holy See in the debate on agenda item 37.

Taking into account the importance attached to the issue under discussion, it is proposed that the General Assembly should take a decision on that request.

May I take it that there is no objection to the proposal to hear the Observer of the Holy See in the debate on agenda item 37?

It was so decided.

The President: I should also like to inform members that, in a letter dated 6 October 2000 addressed to the President of the General Assembly, by the Permanent Representative of Turkey to the United Nations, in his capacity as Chairman of the Group of Western European and Other States for the month of October, requests that the General Assembly hear in plenary meeting a statement by the Observer of Switzerland on agenda item 37.

Taking into account the importance attached to the issue under discussion, it is proposed that the General Assembly should take a decision on that request.

May I take it that there is no objection to the proposal to hear a statement by the Observer of Switzerland on this item?

It was so decided.

Mr. Maquieira (Chile) *(spoke in Spanish)*: After a successful special session held in Geneva we are now back in New York to continue our work on social development.

Before making a brief statement about the Special Session, may I first of all express my gratitude for the generosity and the hospitality of the Swiss Government. They were really essential for the success of the Special Session. In addition may I say that the continuous concern of Mr. Theo-Ben Gurirab with regard to this process and his continued willingness to cooperate has been a source of support and peace of mind for the Chair of the Preparatory Committee for the Special Session. And, finally, the dedication and the commitment of the Under-Secretary-General, Mr. Nitin Desai, and the Director of the Division for Social Policy and Development, Mr. John Langmore, and his efficient team were key for the smooth operation of the meetings and the results obtained. May I also express my thanks to the members of the Bureau for their help.

The review and evaluation of the results of the Social Summit that took place in Geneva last June led to very substantive results that far exceeded the expectations that were held before the meeting took place. The short amount of time since the Summit, a certain negotiating fatigue because of the continuous succession of special sessions, the loss of the mystique underlying the Social Summit, the little time that was given to the Preparatory Committee to complete its work and other factors did not lead us to expect good results for Copenhagen Plus Five.

Despite that, however, we can now see results that will make clear that the Special Session was an important step forward in developing the social development agenda.

The international community has now reaffirmed its determination to launch and to apply the Copenhagen agreements and also to agree to a number of new initiatives to achieve them. On the one hand, it approved a political declaration, which basically defines future responsibilities and our commitment and support of social development and improving society as whole.

Given current events and trends in the international discourse, the degree of specificity in this political declaration is no minor achievement and another not minor achievement is the text under review and the evaluation of the outcome of the Summit. The text indicates very clearly the progress that has been achieved, the problems that exist and the unforeseen circumstances in areas where there have been failings at both the national and international level, as well as the need to redouble our efforts domestically to face the situation.

At the end of the agreements, we see the new initiatives that were approved during the Geneva 2000 process, which undoubtedly include a surprising gamut of decisions and options that countries and the international community have adopted in order to deal with these issues, together with the conclusions of the world Summit in facing current issues.

I should highlight the goal of achieving, by 2015, a reduction by half of the extreme poverty that persists in the world. In other forums there are discussions at the United Nations on the possibility of reaching goals that appear to be utopian and for which no resources are being allocated to really achieve those goals. Let it not be forgotten, however, that goals are a problematic way of lining up political will with technical resources and technical solutions. For this they are important.

A second important aspect is the series of initiatives agreed in the field of employment. They cover almost the entire range of the international labour agenda, as well as the national labour agendas, going from the informal market to the social responsibility of corporations — a topic included for the first time in the international agenda.

It also includes the need to develop a global employment generation strategy, as well as the issue of the rights of workers and the social net when workers are fired. The first meeting, the Summit and the Special Session have really brought the matter and the issue of employment to the fore, which is in itself very important.

Other initiatives that were agreed concerned health and the need for this sector to be seen as a factor of development and not simply as a service to be provided.

One area that received special attention during Copenhagen plus Five has to do with national and

international resources, in terms of such important issues as taxation, tax shelters, tax havens and agreements that make it possible for transnational corporations to pay taxes in countries where they are operational.

All this is new and significant and it really broadens the scope of the international agenda in this field.

Of special interest is the paragraph of the Declaration requesting that a careful study be carried out of proposals to develop new and innovative sources of financing for social development. The topic of resources for development is so urgent that the Secretary-General might consider setting up a high-level committee to make specific recommendations for the conference on financing for development similar to the Panel headed by Mr. Brahimi, the former Foreign Minister of Algeria, on peace operations. As has been indicated, there are more than 40 new international initiatives or agreements in the special session political declaration that are important, innovative and action-oriented.

Given that the actual duration of the negotiations was slightly more than a month, this result can only be considered a great success. This is explained not only by delegations' high intellectual level, good knowledge of the topics and clear willingness to negotiate, but also by the significant, substantive contribution of the United Nations system. The Preparatory Committee requested the system's agencies, funds and programmes, including the Bretton Woods institutions, to submit proposals and initiatives for action. That led to 27 excellent reports that were fundamental in helping the delegations in examining problems and negotiating solutions.

This is a development with unique modalities. The requests on specific topics, rather than a broad-based mandate, should serve as a precedent for future negotiations in the economic and social field. We have said repeatedly that no sector has a monopoly on solutions to complex economic and social problems. To the contrary, there will be progress only as a result of joint action on the basis of cooperation. What happened at Copenhagen+5 between the Governments, civil society and the United Nations system is a good example.

If there is something to regret about the results, it concerns what I personally regard as the social consequences of globalization and the establishment of sound principles and good practices for social development. Much has been said about the tyranny of the market, the reduced role of the State and the need to seek rules to limit these phenomena and to share the benefits of globalization more equitably. The Copenhagen+5 process seemed to be the natural setting for at least examining these matters, viewing their relationship with world events and devising proposals to initiate a process for discussion. The proposals and the opportunity were there, but, unfortunately, the will was not. The fact that it was not possible to even define this issue in a balanced way and establish a procedure to deal with it, from the point of view of the Chair of the Preparatory Committee detracted somewhat from the important agreements reached in Geneva.

Somewhat differently but no less importantly, the Copenhagen process has been criticized for running counter to globalization, because, according to some people, it was a platform to level criticism against this phenomenon, rather than a forum to talk about its advantages. One must be careful with these broad generalizations, because they are misleading. The United Nations has a duty to search for solutions to problems, and because that applies with regard to globalization does not mean that it will be against the process — far from it. Reducing its negative effects and more equitably distributing its benefits strengthen globalization rather than weaken it.

We have satisfactorily done our work of charting a course to face the problems and challenges of social development. What remains to be done is to implement our agreements. It is paradoxical that, while the negotiating scenarios are well structured, the implementation scenarios, which are as important or more important, are left to the initiative and free choice of the parties. There are clearly objective reasons for that: autonomy of countries and agencies, various differences and so forth. Nevertheless, implementing the agreements, which is difficult, is as important as negotiating them and may require a more systematic review of analysis and study of mechanisms. For instance, at the end of the Social Summit the Secretariat organized a number of task forces on different topics. It might be desirable to do the same on the basis of the Geneva agreement, but with a more specific and focused mandate. It would also be desirable for the Economic and Social Council to resume discussion of comprehensive follow-up action,

perhaps accompanied by a report to the Secretary-General with recommendations and suggestions. Furthermore, there could be consultations between its members and recommendations could be made over time for consideration by the General Assembly.

It is a matter of exploring new modalities on this item, modalities with which countries can be comfortable and that will raise the low percentages of implementation of the agreements. Without an effective implementation system, it is of little use to achieve important results like the ones we achieved in Geneva. Therefore, my delegation would be interested in carrying out exploratory consultations with the Secretariat and other interested delegations to decide whether more formal action needs to be taken by the Organization.

Mr. Kafando (Burkina Faso), Vice-President, took the Chair.

The special session of the General Assembly entitled "Copenhagen+5" had political importance and technical efficiency, and, based on current standards, it will have great weight because of the level of the agreements reached. The rest is our responsibility and rests on our commitments to those who will be the greatest beneficiaries of these agreements. The work has been very significant, but it has not ended.

I end on a personal note. I am very proud to have been closely linked to this process. My pride is comparable only to my gratitude to all those who made my responsibilities easier and more pleasant.

Mr. Doutriaux (France) (*spoke in French*): I have the honour to speak on behalf of the European Union on agenda item 37, "Implementation of the outcome of the World Summit for Social Development and of the special session of the General Assembly in this regard". The Central and Eastern European countries associated with the European Union — Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia — and the associated countries Cyprus, Malta and Turkey, as well as Liechtenstein, align themselves with this statement.

The World Summit for Social Development, held in March 1995 in Copenhagen, was a decisive stage in making the international community aware of the vital importance of social progress. The 10 solemn commitments made at that Summit represented significant progress in their various fields, allowing the concrete and practical realization of the will of the international community and States to redirect their actions towards social development to attain three main goals: the eradication of poverty, increased productive employment and the improvement of social integration.

Five years later the Member States met again, in June 2000, to reiterate their will to implement the Copenhagen commitments. To this end, they identified several further initiatives.

In addition, the Millennium Summit provided an opportunity to recall once again, solemnly and at the highest level, the critical importance of progress based on social development and the need to pursue the goal of poverty eradication with determination.

Finally, the European Union has noted with attention and interest the report of the Secretary-General, which gives an accurate, concise account of the complex results of the special session.

The European Union believes that the appraisal of the implementation of the Copenhagen commitments, which was carried out in Geneva during the special session five years after the holding of the Summit, seems to reflect reality and provides cause for both satisfaction and disappointment. That appraisal made it possible to see that despite the progress made in such areas as access to education and the reduction of the debt of poorest countries, major efforts must still be made to combat widening inequalities and to achieve the quantified objectives set at Copenhagen. Moreover, the dynamics of the reciprocal strengthening of social and economic development were also highlighted.

The appraisal led to the adoption of what the European Union believes is a substantial declaration. Beyond reaffirming the primary role of States for social development, that declaration constitutes an additional step, demonstrating willingness to go further in the implementation of the commitments made. The Geneva declaration in essence complements the Copenhagen documents in several ways; for example, by referring to human rights and fundamental freedoms and to fundamental principles and rights at work — which are prerequisites for social development. It also reaffirms the need for specific measures to be taken on behalf of persons in need; the need to improve the situation of children and the education of girls; the need for comprehensive follow-up to major United Nations conferences; and the need for close

coordination of economic, social and environmental policies.

The European Union also welcomes the consensus achieved on further measures to better implement the Copenhagen commitments. Several of those initiatives represent genuine progress and should be welcomed. This is particularly the case with regard to the objectives set to reduce the number of people living in extreme poverty by half by the year 2015; the reference to the need to ratify the basic conventions of the International Labour Organization (ILO) and to strengthen its role in accordance with its mandate; the recognition of the responsibility of businesses for social development; the need for better exchanges of good practices; and the necessity to establish participatory mechanisms to evaluate the social impact of structural adjustment programmes.

We must also welcome the acknowledgement of the importance of access by the poorest to health care and essential medicines, in particular in the framework of the campaign against HIV/AIDS. These initiatives fall under the commitment to focus greater attention on the least developed countries and on Africa, in order to underscore the priority nature of efforts made in that part of the world.

Moreover, the European Union welcomes the fact that the Geneva declaration took into account the outcome of the twenty-third special session of the General Assembly, which was held in New York last June under the theme "Women 2000", in particular with regard to acknowledging the feminization of poverty and the multiplier effect of policies for the advancement of women in terms of their effect on strategies to reduce poverty, create productive jobs and increase social integration.

The European Union believes it is important that the topic of financing for development, which will be taken up in greater detail shortly, was debated frankly at Geneva in its various aspects, and that the international community reiterated its commitment to continue the 20/20 initiative, to implement the Heavily Indebted Poor Countries Debt Initiative (HIPC) and to attain the objectives agreed with regard to official development assistance. The European Union attaches great importance to the coming high-level international intergovernmental event on financing for development. The Union believes that the objective of that meeting is to facilitate better mobilization of national and international resources and to improve adherence to policies aimed at achieving the commitments set by the international community during United Nations conferences, in particular those aimed at reducing poverty by half by the year 2015. The European Union also welcomes the holding in Brussels in [illegible] of the third Conference on the Least Developed Countries. Nevertheless, the European Union regrets the fact that only limited results were achieved during the special session in areas which have great significance for the future.

Similarly, a review of the social aspects of globalization was the subject of lengthy discussions by delegations, without resulting in an agreement to establish a forum that would include all multilateral organizations concerned and that would have made it possible to set up an appropriate framework to continue discussion of this issue. Recently, on the main topic of discussion at the thirty-ninth meeting of the Commission for Social Development in 2001 will be strengthening social protection and reducing vulnerability in an increasingly globalized world. No doubt, that meeting will provide an opportunity for additional discussions on the social aspects of globalization. The Economic and Social Council has been invited to undertake a dialogue on best practices in the field of social development. We hope that dialogue will take into account the implications of globalization on social development.

Similarly, there is a need to develop social indicators to provide a better gauge of the progress achieved in carrying out international development objectives. A more accurate comparison of the various actors involved deserves closer study. Negotiations did not make it possible to go beyond simply inviting the Statistical Commission to continue its work and to identify a limited number of common indicators already being used by Member States. We also regret that there was no substantial progress in the discussion of principles of good governance.

The future of the partnership with civil society and the corporate world, which is one of the keys to social development, was neither fully nor sufficiently discussed, in particular with regard to non-governmental organizations, which are frequently the ones who speak on behalf of the poorest people, provide them with assistance and play a significant social role. In this regard, specific reference should also have been made to the Global Compact launched

by the Secretary-General in Davos in 1999. Nevertheless, the European Union welcomes the inclusion in the agenda of this session of the General Assembly of the new item entitled "Towards global partnerships".

With regard to gender equality and the advancement and participation of women, it is necessary to take better account of the economic links between the struggle against poverty and gender equality. The feminization of poverty is a fact that is essentially due to the rigidity of the roles assigned to men and women and to women's limited access to positions of responsibility, education, training and productive resources. Women represent the vast majority of the approximately 1.2 billion poor people in the world. The inability to deal with the structural causes of poverty and develop a comprehensive approach to gender equality in economic studies and planning also contribute to the feminization of poverty.

The European Union regrets the fact that although the elements of good governance were defined at the special session, the session was unable to come up with the necessary consensus to make it possible to explicitly refer to this idea.

The European Union believes that the Geneva meeting is not the end of the Copenhagen progress but that, rather, it is a stage in a long-term process that needs to continue. The Union attaches special importance to the provisions agreed at Geneva on follow-up to that process. Those provisions should be strengthened, especially with regard to the mandates given to the Commission for Social Development and the Economic and Social Council.

The European Union welcomes the discussions within the United Nations to launch a global campaign to eradicate poverty.

Finally, the Union believes that a number of issues discussed as part of the post-Copenhagen progress need to be examined in greater depth at meetings scheduled for upcoming years. Those issues include the process of financing for development, the third Conference on the Least Developed Countries, the World Conference against Racism and Racial Discrimination, Xenophobia and Related Intolerance, the second World Assembly on Ageing and the corresponding European conference, and the special sessions of the General Assembly on human settlements and children. In this regard, the European Union welcomes the holding at Strasbourg in October 2000 of the European regional preparatory conference for the World Conference against Racism.

The importance the European Union attaches to eradicating poverty, strengthening social cohesion and integrating all groups of society has led the Union to develop a strategic plan of action against social exclusion for its member States. This is an example of the determination of the European Union to translate the results of Copenhagen and Geneva in direct and specific ways.

The European Union will continue to act resolutely to promote social justice, the reduction of inequality and the eradication of poverty, which are prerequisites for building a better world, our common purpose.

The meeting rose at 1.05 p.m.